



**COSTA MESA SANITARY DISTRICT
MINUTES OF BOARD OF DIRECTORS REGULAR MEETING
DECEMBER 8, 2005**

CALL TO ORDER

The Board of Directors of the Costa Mesa Sanitary District met in regular session on December 8, 2005, at 6:00 p.m. at 628 W. 19th Street, Costa Mesa.

President Ferryman called the meeting to order at 12:00 p.m.

PLEDGE OF ALLEGIANCE

Director Schafer led the Pledge of Allegiance.

INVOCATION

Director Woodside gave the invocation.

ROLL CALL DIRECTORS PRESENT:

James Ferryman, Greg Woodside, Art Perry, Arlene Schafer, Dan Worthington

DIRECTORS ABSENT:

None

STAFF PRESENT:

Robin B. Hamers, Manager/District Engineer; Alan Burns, Legal Counsel; Tom Fauth, Assistant Manager; Joan Revak, Board Secretary/Program Manager/Clerk of the District; Wendy Davis, Treasurer; Sherry Kallab, Accountant; Denise Gilbert, Permit Processing Specialist

OTHERS PRESENT:

None



..... **CONSENT CALENDAR**

Ms. Davis reported the memorandum in the Board packet dated November 1, 2005 - Carryover Requests FY 2005-06 was revised in a memorandum dated November 14, 2005. The revised Carryover Request was provided as a handout at the meeting.

Director Schafer motioned to approve the Consent Calendar as presented, with the Revised Carryover Request. Director Worthington seconded. Motion carried 5-0.

REPORTS

MINUTE APPROVAL

Minutes of Recycling
Committee Meeting –
November 14, 2005

The Minutes of the Recycling Committee Meeting of November 14, 2005, were approved as distributed.

Minutes of Regular
Meeting, -
November 16, 2005

The Minutes of the Regular Meeting of November 16, 2005, were approved as distributed.

Minutes of Special
Meeting – November 30,
2005

The Minutes of the Special Meeting of November 30, 2005 were approved as corrected by Attorney Alan Burns.

MANAGER'S REPORTS

Refunds

There were no refunds for the month of October 2005.

Occupancy Report and
Payment of \$194,790.29
to Costa Mesa Disposal –
December 2005

The Trash Occupancy Count documented an increase of 6 units for the occupancy report for solid waste collection as of December 1, 2005. Therefore, the total for December is 21,276.

Board directed Staff to prepare a warrant for \$194,790.29 to Costa Mesa Disposal on January 1, 2006, for December 2005 collection count of 21,276.

Monthly Spill Report to
Regional Water Quality
Control Board (RWQCB)

The Monthly Spill Report to the Regional Water Quality Control Board (RWQCB) for November 2005 was accepted as submitted.



ENGINEER'S REPORTS

Project Status Report	The Project Status Report dated December 2005 was accepted as submitted.
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TREASURER'S REPORTS

Financial Report as of October 31, 2005	The Financial Report as of October 31, 2005 was accepted as submitted.
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Treasurer's Report as of November 30, 2005	The Treasurer's Report as of November 30 was continued to the January 12, 2006 meeting.
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Warrant 2006-6 for November 2005 in the amount of \$568,112.26	Warrant Resolution #CMSD 2006-6 was approved, authorizing the President and Secretary to sign the warrant ratifying the payment of certain claims and demands, and specifying the funds out of which the same were paid in the amount of \$568,112.26.
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Directors Expenses for the Month of November 2005	Director Compensation and Expense Reimbursement for the Month of November 2005 were approved and ratified as follows:
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Director Ferryman: \$340.00
Director Perry: \$680.00
Director Schafer: \$1,020.00 + \$4.85
Director Woodside: \$510.00
Director Worthington: \$680.00

..... **END OF CONSENT CALENDAR**

WRITTEN COMMUNICATIONS

There were no written communications.

PUBLIC COMMENTS

There was no public in attendance, no public comments made.



MANAGER'S REPORTS

DIRECTOR TRAVEL AND MEETINGS BUDGET

Ms. Davis reported the Director Travel and Meetings Budget in the Solid Waste Fund and the Liquid Waste Fund will be over expended after the CASA conference in Palm Springs. Ms. Davis provided the adopted Travel and Meetings Budget, the Travel and Meetings expenditures through November 30, 2005, possible Travel and Meetings expenses through June 30, 2006 and a historical analysis of the Travel and Meetings account.

Director Perry motioned to direct Staff to make a budget adjustment using funds designated for Strategic Planning in the amount of \$5700 to cover travel and meetings for the remainder of fiscal year 2005-2006. Director Schafer seconded the motion. Motion passed 5-0.

ATTENDANCE BY DIRECTORS AT CSDA MEETINGS

Director Worthington presented a letter from CSDA appointing him as a volunteer committee member on the Legislative Committee in response to his request to participate. It was noted that CSDA does not reimburse volunteer committee members for expenses incurred during their participation. Additionally, Director Schafer is a CSDA Board member and is a member of the Legislative Committee. As a Board member, Director Schafer's expenses are reimbursed to the District.

Staff calculated the cost of being on the Committee at approximately \$5600 for travel to the estimated 7-8 meetings per year.

Director Perry motioned to allow Director Worthington to attend the January meeting and reevaluate his appointment after learning the extent of travel to Sacramento necessary as a Committee member. Director Woodside seconded the motion. Motion passed 5-0.

FIELD MAINTENANCE SERVICES

Mr. Hamers reported Jimni Pumping Services and National Plant Services are ready begin service on December 15, 2005. Mr. Karl Dulake will be on board as Maintenance Supervisor for the District effective December 12, 2005. The telemetry system is being revised, the District's equipment will be removed from the City and the District field maintenance services will be separated from the City on December 15, 2005.



Mr. Hamers presented a letter from the City of Costa Mesa dealing with the final disposition of tools, equipment and machinery. The letter included a listing of tools, equipment and machinery indicating *City* or *District* ownership as well as a listing of telemetry equipment. The letter is a culmination of many meetings between Mr. William Morris, City of Costa Mesa Director of Public Services, Mr. Hamers and Mr. Fauth.

Ms. Davis presented a billing from the City of Costa Mesa for the month of November and December 1-14, 2005 in the amount of \$35,460.40. After discussion, Director Woodside motioned to pay \$31,730.78, in accordance with Ms. Davis' calculation, along with a letter explaining the District's position. Director Perry seconded the motion. Motion carried 5-0.

Mr. Fauth reported a used 2002 mid-sized utility mechanic's vehicle with crane that meets the District's requirements has been located. The vehicle is being sold by a private seller for \$39,500. The Board of Director's approved the purchase of the used vehicle as a sole source purchase for \$39,000. The Board of Director's previously approved the funds for the purchase of a maintenance vehicle.

CMSD STRATEGIC PLAN

YEAR 2005 STRATEGIC PLANNING ACTION ITEMS

An updated Year 2005 Strategic Planning Action Items list was presented.

NEW DISTRICT HEADQUARTERS

BUILDING AND GROUNDS AD HOC COMMITTEE

UPDATE ON IMPROVEMENTS

Mr. Fauth reported front and rear doors to the building were installed on November 22, 2005. The front door is to be stained and a mail slot installed as well as a crash panic bar.

RESPONSE FROM CR&R ON TRASH COLLECTION RATES

A response from CR&R on trash collection rates has not been received.

YEAR 2006 STRATEGIC PLANNING MEETING

The Board of Directors elected not to have a Strategic Planning Session in the Fiscal Year 2005-2006.



RECYCLING REPORTS

WASTE DIVERSION REPORT – NOVEMBER 2005

Ms. Revak presented the Waste Diversion Reports for November 2005 showing a 50.78% diversion rate.

Director Woodside motioned to receive and file the report. Director Perry seconded. Motion carried 5-0.

CONTRACT PAYMENT TO CR TRANSFER FOR RECYCLING SERVICES AND DISPOSAL

PAYMENT FOR NOVEMBER 2005 SERVICES

Director Schafer motioned to ratify contract payment to CR Transfer for recycling services and disposal for the month of November 2005 in the amount of \$192,232.79. Director Perry seconded. Motion carried 5-0.

STANDARDIZED TRASH CONTAINER PROGRAM REPORTS

Mr. Fauth reported the Standardized Container Inventory continues to decline but at a slower rate than in previous months. The most recent purchase included an order for 325 90-gallon barrels and 275 60-gallon barrels on February 22, 2005

Mr. Fauth advised that residents continued ordering more 90-gallon barrels than 60-gallon or 35-gallon barrels. A total of 75 35-gallon barrels remain in inventory at Costa Mesa Disposal and the number has leveled off around this number since April 25, 2005. No additional inventory remains at ROTO. An additional 225 60-gallon barrels remain on order with ROTO, but have not been produced or delivered. Staff is coordinating a revision to the ROTO order to deliver a mix of 145 90-gallon and 50 60-gallon barrels which stays within the original budget remaining for the 225 60-gallon barrels for FY 2005-06.

President Ferryman requested Staff provide a study on the amount the program is costing the District and, if necessary, increase the cost of container contribution by the resident. Mr. Fauth noted that the main contributor to container cost is replacement by the District for stolen containers. Attorney Burns suggested reviewing the original code adopted by the Board with regard to exemptions and that Staff perhaps is too liberal in providing replacement containers. Staff will respond to the request of President Ferryman.



Mr. Shef presented the Ordinance Enforcement Summary Report for the month of November 2005. In addition to Mr. Shef's normal Ordinance Enforcement activities, he delivered flyers and posters to all participating schools and sponsors for the telephone book recycling program.

JOINT MEETING WITH MIDWAY CITY SANITARY DISTRICT (MCSD) AT CMSD HEADQUARTERS

Ms. Revak reported she was successful in contacting Mr. Bill Nakasone, the new General Manager for Midway City Sanitary District, and he will respond with a date for a joint meeting at the beginning of 2006.

RECYCLING COMMITTEE – MONDAY, DECEMBER 5, 2005 - 12:00 P.M., CMSD BOARDROOM, 628 W. 19TH STREET, COSTA MESA, DIRECTORS WOODSIDE AND WORTHINGTON

RECYCLING COMMITTEE GOALS FOR 2005/2006

Director Woodside provided a brief update on current programs.

Staff is awaiting verification from the Boys and Girls Club that they have completed the recycling project and the District will then present the \$100 check.

2005 SCHOOL TELEPHONE BOOK RECYCLING PROGRAM

Director Woodside reported the Telephone Book Recycling Program is in progress and will run through December 23 2005.

UNIVERSAL WASTE – REQUIREMENTS EFFECTIVE FEBRUARY 9, 2006

Mr. Hamers reported a letter was sent to CR Transfer on November 21, 2005 addressing the Federal Universal Waste recycling requirements that become effective February 9, 2006 and requesting information on how CR&R plans to comply.

REPORT FROM CITY OF COSTA MESA MANAGEMENT ANALYST ON CITY'S RECYCLING PROGRAM

Ms. Donna Theriault, City of Costa Mesa Management Analyst, was invited to attend the Recycling Committee Meeting and presented an updated list of haulers who currently hold franchises with the City of Costa Mesa for the collection of commercial refuse including construction and demolition debris.



Ms. Theriault overviewed the yearly report provided to the State by the City of Costa Mesa and noted how population and sales information are used in the methodology. The City is currently recycling above the required 50% benchmark.

Ms. Theriault compared the yearly tonnages collected in the commercial program, reporting an increase over the last few years, mirroring the increase the District has experienced in the residential program.

The Committee was most appreciative of Ms. Theriault's comprehensive report and invited her to future meetings.

ENGINEER'S REPORTS

WASTE DISCHARGE REQUIREMENTS – (WDR)

GENERAL UPDATE

Mr. Hamers provided a brief update on the Steering Committee, the General Committee, and the State WDR.

PROJECT NO. 174 - GREASE CONTROL PROGRAM DEVELOPMENT

Mr. Hamers reported he and Mr. Fauth met at length with the Consultant, EEC. The program is outstanding and, in essence, the District has hired four people to administer the grease control program through Consultants. Two persons are conducting inspections of the restaurants and two people are working in the office reporting, tracking, reviewing video tapes, etc.. Mr. Hamers asked the Board if they desired a presentation from the Consultant or would they like Staff to present a report on the program along with the proposal for the 2005-06 program. President Ferryman stated that at the onset of the program he recalled it was anticipated that fees would go down after one-time costs. Mr. Hamers pointed out that initially the District anticipated hiring its own Staff to do what is now being done as regular inspections and setting the guidelines. Initially, it was envisioned that Ron Shef and District sewer inspectors would be able to perform those inspections; however, their time is fully consumed with everyday District inspection work.

Attorney Burns pointed out to keep everything in perspective there is no absolute criteria for achieving compliance with the grease control program as written in the WDR.

It was determined a presentation by the Consultant is not required.



Mr. Fauth reported 52% of establishments have returned permits. A total of 190 food service establishments have yet to respond and Staff is addressing the status with EEC, encouraging a phone calling campaign to increase the number of permit submittals to meet the compliance requirements and close out this process by the end of FY 2005-06.

DEVELOPMENT AGREEMENT AT 1901 NEWPORT BLVD. – EXCESS SEWER FLOWS

Mr. Hamers requested the item be continued.

TREASURER'S REPORTS

INVESTMENT OVERSIGHT COMMITTEE MEETING – THURSDAY, DECEMBER 8, 2005
AT 5:30 P.M.

Ms. Davis reported the Committee met at 5:30 p.m. with Directors Woodside and Schafer attending. The Committee discussed District reserves and fund balance. Minutes will be presented at the January 12, 2006 Board of Directors meeting.

ATTORNEY'S REPORT

COSTA MESA DISPOSAL AND CR TRANSFER CONSOLIDATED AGREEMENT

Mr. Burns reported receiving a call from Dan Otting notifying him a response is forthcoming

PUBLIC ENTITY HAS DISCRETION TO LIMIT PUBLIC COMMENT (*CHAFFEE V. SAN FRANCISCO PUBLIC LIBRARY COMMISSION*)

Mr. Burns presented a memorandum reporting on a Court of Appeal case which held that a public entity can limit testimony to two minutes when it had an adopted rule that limits testimony to three minutes when the record demonstrated that the public business on the agenda might not otherwise be addressed properly. The facts demonstrated that the stricter limits were necessary to accomplish the agenda business that day.



LOCAL MEETINGS (INCLUDES REPORTS BY ALL DIRECTORS REPRESENTING THE DISTRICT)

ORANGE COUNTY SANITATION DISTRICT (OCSD)

President Ferryman reported there has not been a meeting of OCSD since the last CMSD Board of Directors meeting. Jim Ruth has taken control as interim general manager and he will assist in the process of hiring a new general manager

SANTA ANA RIVER FLOOD PROTECTION AGENCY

There has been no meeting of the Agency since the last CMSD Board of Directors meeting

INDEPENDENT SPECIAL DISTRICTS OF ORANGE COUNTY (ISDOC)

No meetings have occurred in the last month.

LOCAL AGENCY FORMATION COMMISSION (LAFCO)

Director Schafer will attend a LAFCO meeting on December 14, 2005 and reported the following:

- MSRs – Extended through 2006
- CMSD, the City of Costa Mesa and the Water District will be reviewed in 2006
- Working on unincorporated areas and annexations
- Leadership Conference - January 13-15, 2006, in Arrowhead

CALIFORNIA SPECIAL DISTRICTS ASSOCIATION (CSDA)

President Schafer traveled to Sacramento on November 16 and 17, 2005 for an Executive Board meeting and a strategic planning session with assistance of a consultant. Director Schafer was appointed to three committees: Finance, Fiscal and Legislation.

CSDA 2006 MEMBERSHIP DUES IN THE AMOUNT OF \$2,774.00

An invoice for 2006 Membership Dues in the amount of \$2,774.00 was presented. Director Schafer motioned to approve the invoice in the amount of \$2,774.00. Director Woodside seconded. Motion passed 5-0.



CALIFORNIA ASSOCIATION OF SANITATION AGENCIES (CASA)

2006 CASA MID-YEAR CONFERENCE IN INDIAN WELLS JANUARY 18-21, 2006

Ms. Revak reported attempting to make hotel reservations for three Board members desiring to attend the 2006 CASA Mid-Year Conference in Indian Wells, however, the rooms designated for the special CASA rate were sold out. The cost of available rooms is \$360/night. Director Ferryman indicated he will be attending the conference representing OCSD. Ms. Revak reported the District is on a waiting list for the less expensive rooms.

MEETINGS OF: COSTA MESA CITY COUNCIL, OCCOG, WACO, CHAMBER OF COMMERCE

CHAMBER OF COMMERCE

Director Schafer reported the Chamber of Commerce was dark for November and December.

OCCOG

Director Schafer was out of town for the OCCOG meeting.

WACO

Director Schafer was out of town for the WACO meeting.

OLD BUSINESS

There was no old business discussed.

NEW BUSINESS

OCTA SPECIAL MEASURE M PRESENTATION

Ms. Revak reported contacting Mr. Edmundo Duvignau at OCTA with regard to a presentation on Measure M and learned the presentation is approximately 15-20 minutes in length. The Board expressed interest in having a presentation at a future CMSD Special Meeting.



ORAL COMMUNICATIONS AND DIRECTOR COMMENTS

The CMSD Christmas dinner is scheduled for Monday, December 12, 2005 at the Claim Jumper at South Coast Plaza with all expenses to be paid by the individuals in attendance.

ADJOURNMENT

At 7:42 p.m., President Ferryman adjourned the meeting.

SECRETARY

PRESIDENT